

AUDITOR GENERAL (50)

GOAL-BASED GOVERNANCE PLAN MISSION, GOALS AND BUDGET SUMMARY

AGENCY MISSION:

The mission of the Office of the Auditor General (OAG) is to act as an independent, full-service appraisal function to examine and evaluate the City's activities in order to improve the accountability for public funds and to improve the operations of City government. We promote the economy, efficiency, and effectiveness of City government, and protect against fraud, waste, and abuse, by conducting independent audits, investigations, and evaluations; by keeping the City Council and the Mayor fully and currently informed of our work; by committing to total quality; by adhering to the professional standards of the auditing profession; and by promoting an atmosphere of mutual trust, honesty, and integrity among OAG staff and the people we serve.

AGENCY FINANCIAL SUMMARY:

2001-02 <u>Requested</u>		2000-01 <u>Budget</u>	2001-02 <u>Recommended</u>	Increase <u>(Decrease)</u>
\$ 3,167,985	City Appropriations	\$ 3,363,108	\$ 3,037,831	\$ (325,277)
\$ 3,167,985	Total Appropriations	\$ 3,363,108	\$ 3,037,831	\$ (325,277)
\$ 300,000	City Revenues	\$ 300,200	\$ 300,000	\$ (200)
\$ 300,000	Total Revenues	\$ 300,200	\$ 300,000	\$ (200)
\$ 2,867,985	NET TAX COST:	\$ 3,062,908	<u>\$ 2,737,831</u>	\$ (325,077)

AGENCY EMPLOYEE STATISTICS:

2001-02 <u>Requested</u>		2000-01 <u>Budget</u>	4-1-01 <u>Actual</u>	2001-02 <u>Recommended</u>	Increase <u>(Decrease)</u>
<u>26</u>	City Positions	<u>26</u>	<u>17</u>	<u>26</u>	<u>0</u>
26	Total Positions	26	17	26	0

ACTIVITIES IN THIS AGENCY:

	2000-01 <u>Budget</u>	2001-02 <u>Recommended</u>	Increase <u>(Decrease)</u>
Auditing Operations	\$ 3,363,108	\$ 3,037,831	\$ (325,277)

AUDITOR GENERAL (50)

GBG AUDITING OPERATIONS ACTIVITY INFORMATION

ACTIVITY DESCRIPTION: AUDITING OPERATIONS

The OAG performs audits of each City agency and prepares written reports that convey the resultant audit findings and recommendations to the City Council, the Mayor, and the management of each agency.

The OAG also performs special projects and other work, as requested by City Council, as initiated internally, or as required by City Code. Many of these projects result in formal reports or other communications to City Council. The Office also analyzes the Mayor's proposed City budget for City Council each fiscal year.

The annual financial audits of the City and its Federal financial assistance programs are performed by qualified outside auditors hired by the Office of the Auditor General. The Office of the Auditor General performs audits of each City agency and prepares written reports which convey the resultant audit findings and recommendations to the City Council, the Mayor, and the management of each agency.

GOALS AND OBJECTIVES:

1. Improve the auditing and consulting capabilities of the OAG staff;
2. Improve the quality and timeliness of audit reports;
3. Conduct Comprehensive Annual Financial Report (CAFR) readiness audits;
4. Complete a minimum of ten performance audits and ten financial audits.
5. Identify a minimum of \$10 million dollars of annual expense savings or increased collections.

MAJOR INITIATIVES

The OAG has several major initiatives planned for 2001-2001 fiscal year.

One of these initiatives is our Service, Effort, and Accomplishments report. This report, which involves surveys of our citizens, will summarize the accomplishments by several major agencies, the cost and other resources required, and the citizen satisfaction with the respective agencies' performances.

Another major initiative planned for the fiscal year is a Risk Management Audit. This audit will entail a review of the City's Risk Management processes by the Law Department, and by the Risk Management Division of the Finance Department.

Another major initiative planned for the coming year is a review of the City's Police Department (DPD) processes. This review will entail benchmarking of the DPD costs and resources, a review of the processes, in major divisions, and an analysis of the trends and outcomes related to DPD activities.

PLANNING FOR THE FUTURE

The OAG plans to increase the utilization of software for both the administrative and the operational activities. The key software includes ACL, which enables our auditors to analyze one-hundred percent data files, rather than resorting to sample; CardMap, which enables our auditors to capture and organize data generated during the audit in a database, thereby facilitating the preparation of the reports and subsequent searches for key data; and TeamMate, an audit scheduling software package that allows better tracking of auditors performance.

The OAG anticipates the loss of four or five auditors by September, 2001, including the Deputy Auditor General, the Chief Auditor, an information technology auditor and one or two other staff auditors. We expect the impact of these losses to be significant.

The Human Resources Department has provided very few candidates for OAG positions during the past two years, while the turnover rate has been around thirty percent per year. The Auditor General and key team members will be heavily involved in the recruiting process during the coming year.

AUDITOR GENERAL (50)

GBG AUDITING OPERATIONS MEASURES AND TARGETS

Goals: Measures	1998-99 Actual	1999-00 Actual	2000-01 Projection	2001-02 Target
Conduct Internal Control Reviews and/or operational/performance audits and submit Reports on related findings to the Mayor and to City Council: Internal Control and Performance Audit Reports Submitted	20	12	12	12
Perform audits of financial transactions of City agencies and submit reports on related Findings to the Mayor and to City Council: Reports on Audits of Financial Transactions	0	0	12	12
Perform special projects, such as investigations, benchmarking, research, and City Council requests: Special Project Reports Issued	5	9	6	6
Hear and make decisions on all claims forwarded from the Law Dept and communicate the outcome in a timely manner: Claims hearings	145	117	120	120
Activity Costs	\$2,475,416	\$2,675,981	\$3,363,108	\$3,037,831

CITY OF DETROIT
Auditor General Department
Financial Detail by Appropriation and Organization

Administration & General Office	2000-01 Redbook		2001-02 Dept Final Request		2001-02 Mayor's Budget Rec	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Auditing Operations						
<i>APPROPRIATION</i>						
<i>ORGANIZATION</i>						
00261 - Auditing Operations						
500010 - Administration & General Office	6	\$778,708	5	\$757,122	5	\$779,315
500020 - Auditing-Operations	20	\$2,584,400	21	\$2,410,863	21	\$2,258,516
APPROPRIATION TOTAL	26	\$3,363,108	26	\$3,167,985	26	\$3,037,831
ACTIVITY TOTAL	26	\$3,363,108	26	\$3,167,985	26	\$3,037,831

CITY OF DETROIT
Budget Development for FY 2001 - 2002
Appropriations - Summary Objects

	2000-01 Redbook	2001-02 Dept Final Request	2001-02 Mayor's Budget Rec
AC0550 - Auditing Operations			
<i>A50000 - Auditor General</i>			
SALWAGESL - Salary & Wages	1,391,256	1,484,229	1,382,975
EMPBENESL - Employee Benefi	651,051	724,815	713,399
PROFSVCSL - Professional/Con	1,090,000	775,000	743,925
OPERSUPSL - Operating Suppli	26,000	16,000	26,000
OPERSVCSL - Operating Servic	146,801	142,941	146,532
CAPEQUPSL - Capital Equipmei	33,000	0	0
OTHEXPSSL - Other Expenses	25,000	25,000	25,000
<i>A50000 - Auditor General</i>	<i>3,363,108</i>	<i>3,167,985</i>	<i>3,037,831</i>
AC0550 - Auditing Operations	3,363,108	3,167,985	3,037,831
Grand Total	3,363,108	3,167,985	3,037,831

CITY OF DETROIT
Budget Development for FY 2001 - 2002
Appropriation Summary - Revenues

	1999-00 Actuals	2000-01 Redbook	2001-02 Dept Final Request	2001-02 Mayor's Budget Rec	Variance
A50000 - Auditor General					
<i>00261 - Auditing Operations</i>					
449125 - Personal Services	194,521	300,000	300,000	300,000	0
474100 - Miscellaneous Receipts	15	200	0	0	(200)
<i>00261 - Auditing Operations</i>	<i>194,536</i>	<i>300,200</i>	<i>300,000</i>	<i>300,000</i>	<i>(200)</i>
A50000 - Auditor General	194,536	300,200	300,000	300,000	(200)
Grand Total	194,536	300,200	300,000	300,000	(200)

CITY OF DETROIT
MAYOR'S 2001/2002 RECOMMENDED BUDGET

Auditor General

Appropriation	REDBOOK FY	DEPT REQUEST	MAYORS FY
Organization	2000 2001 FTE	FY 2001 2002 FTE	2001 2002 FTE
Classification			
00261 - Auditing Operations			
500010 - Administration & General Office			
Auditor General	1	1	1
Deputy Auditor General	1	1	1
Chief Auditor	1	1	1
Executive Secretary III	1	1	1
Senior Typist	1	1	1
Typist	1	0	0
Total Administration & General Office	6	5	5
500020 - Auditing-Operations			
Manager II - Auditor General	2	2	2
Senior Auditor	3	6	6
Auditor	0	13	13
Senior Accountant	10	0	0
Principal Accountant	5	0	0
Total Auditing-Operations	20	21	21
Total Auditing Operations	26	26	26
Agency Total	26	26	26